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Before the
Federal Communications CommissionFEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Implementation of Sections of the
Cable Television Consumer Protection
and Competition Act of 1992

Rate Regulation

)
)
) MM Docket No.
) 92-266
)

To the Commission

JOINT COMMENTS
IN SUPPORT OF PETITION FOR CLARIFICATION

Colony Communications, Inc., King Videocable Company, MultiVision Cable TV Corp., and ParCable, Inc. ("Cable Companies") hereby submit their comments in support of the Petition for Clarification of Order of June 15, 1993 filed with the Commission by Continental Cablevision, Inc. ("Continental") on June 22, 1993.

The Cable Companies share Continental's concern that absent clarification, or if necessary preemption, the Commission's Order extending the effective date of the rate regulation rules to October 1, 1993 will cause significant confusion for cable subscribers and severe logistical problems for the cable industry; indeed, for some operators, including the Cable Companies, it is already too late to comply with franchise notification requirements in a number of their cable system communities.

From the outset of the adoption of its rate regulation program and accompanying temporary freeze, the Commission has

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recognized and acquiesced that cable operators could and would engage in revenue neutral rate restructuring during the freeze period. See, e.g., Freeze Order, April 1, 1993 at ¶4, Freeze Clarification, April 9, 1993 at ¶8, Cable Television Rate Regulation Questions and Answers, May 7, 1993, question 8. Nothing in the Commission's June 15th Order suggests, directly or indirectly, any intention to withdraw or undercut the flexibility and discretion to restructure as embodied in the FCC's earlier pronouncements.

Following the guidance provided by the Commission, the Cable Companies are in the process of reviewing their rate structures to determine whether adjustments in keeping with existing overall rate levels can and should be made. The sheer volume of the Commission's rate decision coupled with subsequent clarifications and corrections has made that analysis a lengthy and arduous process.

While the Commission's June 15, extension Order was premised primarily on the agency's limited resources, it also clearly recognized that:

. . . an additional period of time for implementation of cable service rate regulation will provide franchising authorities and cable operators greater opportunity to ensure a smooth transition to rate regulation.

Order at ¶3. That opportunity for a "smooth transition" will be lost, however, if cable operators are required to comply with lengthy local notice requirements. For example, over 50 percent of the franchises held by MultiVision contain 60 to

90 day advance notification provisions. Similarly, Colony holds two franchises in California which require 90 days advance notice to the franchising authority and 60 days advance notice to subscribers and one each with 60 day notice requirements in Florida and Idaho. Compliance with these requirements effectively moots the Commission's well-intentioned extension of the effective date to October 1.

Moreover, a lengthy notice requirement for one community on a multi-community system will require, as a practical matter, that all subscribers be given notice on the earliest required date. Given the public's intense awareness of and interest in the Commission's rate regulation rules and their potential impact on an individual, personal basis, it is simply unrealistic to expect that cable operators could or would, as a matter of good customer relations, announce a new rate structure in some communities and not in others served by the same system.

Obviously all parties, including the public, would be better served by a uniform, across-the-board announcement date. That result can be accomplished by Commission clarification that the intention of its May 14, 1993 Order, which denied a limited stay of the original effective date by preempted local notice requirements, is embodied in its June 15 Order -- a result which is fully consistent with the letter and spirit of the Commission's rate regulation and customer service rules. Accordingly the Cable Companies urge

the Commission to make it clear that cable operators may comply with the new rules by giving notice of a new rate structure on September 1, 1993 and may implement that rate structure in the first billing cycle or cycles commencing on October 1, 1993.

Respectfully submitted,

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June 25, 1993

CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of June, 1993, I caused copies of the foregoing "Joint Comments in Support of Petition for Clarification" to be mailed via first-class postage prepaid mail to the following:

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